

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6603**

**BILL NUMBER:** HB 1451

**NOTE PREPARED:** Dec 17, 2002

**BILL AMENDED:**

**SUBJECT:** Insurance Coverage for Hearing Aids.

**FIRST AUTHOR:** Rep. Whetstone

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract to provide hearing aid coverage for individuals less than 18 years of age.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill is estimated to cost approximately \$0.6 M per year. There are currently six health care insurance plans for state employees. Four of the six plans responded that this coverage would increase premiums, one stated the increase would be minimal, and one did not respond. There are a total of approximately 36,000 employees enrolled in state employee health plans. It is estimated that state employee plan cost for single coverage would increase \$18 per year per plan, and \$114 per year on average per plan for family coverage. The state may choose to pass the cost on to employees in the form of higher deductibles, higher premiums, or limiting other conditions covered.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill will likely increase health insurance costs for local units of government and local school districts. If the local unit is enrolled in the state employee plan, cost for single coverage may increase \$22 per year per plan and by \$163 per year on average per plan for family coverage. Local governments that do not have this coverage may choose to pass the cost on to employees in the form of higher deductibles, higher premiums, or limiting other conditions covered.

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** All local units of government and local school districts.

**Information Sources:** Keith Beesley, State Department of Personnel, 317-232-3062.

**Fiscal Analyst:** Michael Molnar, 317-232-9559